

GROWING BUSINESSES

Lakeland Community Redevelopment Agency | *annual report 2012*

BUILDING NEIGHBORHOODS



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INTRODUCTION

The Lakeland Community Redevelopment Agency (LCRA) Fiscal Year 2012 Annual Report covers all activities for the period October 1, 2011 through September 30, 2012. The report includes a complete financial statement of the LCRA's revenues and expenses, amount of tax increment funds collected and a record of LCRA activities for the fiscal year.

The LCRA was created in 1979 as a supplementary measure to assist the City of Lakeland and the Lakeland Downtown Development Authority (LDDA) in their efforts to improve the central business district. By 2002, the LCRA had expanded to include a total of four target areas: Downtown, Dixieland, Mid Town and Williams.

The activities in each area are outlined in adopted redevelopment plans and are guided by volunteer advisory boards that make all budget, program and project recommendations to the City Commission whose members make up the Board of the Community Redevelopment Agency. Redevelopment initiatives are coordinated in these areas by LCRA staff and implemented by partners including City departments, the Florida Department of Transportation, local non-profit organizations and community groups, and most importantly, private property, business owners and residents.

Communicating Through www.lakelandcra.net and CityCHIC

We have continued to refine our website, www.lakelandcra.net, to be a clearinghouse for information about Lakeland Community Redevelopment Agency programs and incentives, completed projects and available properties. The customer-friendly site is easy to navigate and updated frequently.

Tabs across the top of the home page allow users to easily access information about Incentive Programs, our Enterprise Zone and Available Properties. We have found that the new layout allows customers to have a one-stop source of information as they begin to explore Lakeland for their development project or business.



In addition, to expedite communication about City and LCRA programs and projects, as well as to provide information about many of the small businesses in our community redevelopment areas, we have developed a blog to replace our enewsletters. CityCHIC, a blog about Lakeland and urban redevelopment was launched in the Fall of 2012. LCRANow, our quarterly real estate and business newsletter will now be posted to the CityCHIC blog which is easily accessed through our website. In addition, our monthly Dixieland enewsletter has been phased out in favor of shorter, more frequent articles which can be posted to the blog.

If you have not already, we invite you to visit www.lakelandcra.net to learn more about how Lakeland is Open for Business!

LAKELAND COMMUNITY REDEVELOPMENT AGENCY

Mayor Gow Fields

Commissioner Keith Merritt

Commissioner Don Selvage

Commissioner Justin Troller

Commissioner Phillip Walker

Commissioner Howard Wiggs

Commissioner Edie Yates

LAKELAND COMMUNITY REDEVELOPMENT AGENCY ADMINISTRATIVE STAFF

Tamara Sakagawa
CRA Manager

Patricia Hendler
CRA Project Manager

Nicole Travis
CRA Project Manager

CITY OF LAKELAND STAFF

Douglas B. Thomas
City Manager

Tony Delgado
Deputy City Manager

Jim Studiale
Director of Community Development

Steve Bissonnette
Assistant Director of Community Development

Jason Willey
Economic Development Coordinator



Orange Street Bridge

FAQS

What is a Community Redevelopment Agency (CRA)?

A Community Redevelopment Agency (CRA) is a dependent taxing district established by local government for the purpose of carrying out redevelopment activities that include reducing or eliminating blight, increasing the tax base, and encouraging public and private investments in redevelopment areas. The members of the City Commission also serve as the Board members of the Lakeland CRA.

Why create a CRA?

CRA's are created to assist local governments in pursuing redevelopment in targeted areas that are characterized by blight and disinvestment. By establishing a CRA, local governments are given a financial and planning mechanism by which to redevelop areas where private market forces aren't working.

Where are the designated CRA areas?

Lakeland has four CRA target districts, or Community Redevelopment Areas. They are Downtown, which was established in 1979, Dixieland and Mid Town which were created in 2001, and Williams which was created in 2002.

What type of activities will happen in CRA areas?

Redevelopment activities are outlined in each of the CRA district redevelopment plans. The Redevelopment Plan is a document that is approved by the City and the County at the time that each CRA district is created. The Redevelopment Plan outlines the goals and objectives for the district, and more importantly, outlines the specific programs and capital improvements designed to reach those goals. Possible programs include master planning, street improvements, park improvements, development of infill housing, recruitment of new businesses and partnerships. Most programs are designed to leverage public funds by encouraging private developers to invest in CRA districts.

How are redevelopment activities funded?

Activities in CRA districts are predominantly funded by tax increment. Tax increment is calculated based on the dollar value of all real property in the Community Redevelopment Area at the time CRA district is created, also known as the “frozen value”. Taxing authorities who contribute to the tax increment continue to receive property tax revenues based on the frozen value. However, any tax revenues from increases in real property value, referred to as “increment”, are deposited into the Community Redevelopment Agency Trust Fund and dedicated to the redevelopment area.

It is important to note the property tax revenue collected by the School Board and any special district (ex: SWFWMD) are not affected under the tax increment financing process. Tax increment revenues can be used immediately, saved for a particular project, or bonded to maximize the funds available. Any funds received from a tax increment financing area must be used in accordance with the Redevelopment Plan for specific redevelopment purposes within the targeted area, and not for general governmental purposes.

How can I get involved?

Each CRA district is governed by volunteer Advisory Boards, the members of which are appointed by the City Commission. The Downtown CRA actions are governed by the members of the Lakeland Downtown Development Authority (LDDA) Board, plus one member appointed by the City Commission who represents the larger economic development interests for the City of Lakeland, one member who represents the Board of Directors of the Downtown Lakeland Partnership and one member who represents downtown residents. Because the LDDA is a special taxing authority, its Board members are elected by property owners and electors within the LDDA boundaries. Members of all CRA Advisory Boards are required to live, work and/or own property within their respective districts. Advisory Boards are responsible for making budget, policy and project recommendations to the City Commission. The City Commission, acting as the Community Redevelopment Agency, has the final authority to approve all actions.

If you would like to volunteer to serve any of these Advisory Boards, please visit the City of Lakeland’s website to download a copy of the Advisory Boards and Committees Application. In addition, all Advisory Board meetings are open to the public and held monthly in the City Commission Conference Room on the third floor of City Hall.

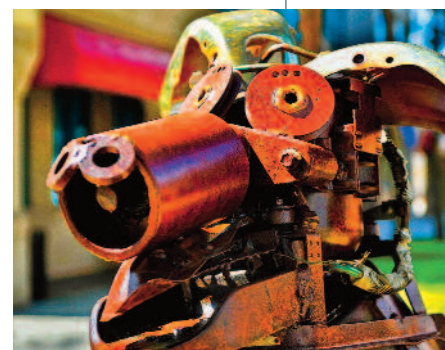
Lakeland Downtown Development Authority

The Lakeland Downtown Development Authority (LDDA) is a special taxing district created by the State Legislature in 1977. Property owners within the boundaries of the LDDA pay an additional 1.9945 in millage, providing the basis for LDDA’s budget. Six Board Members are elected by downtown property owners and electors along with one City Commissioner appointed by the Mayor. LDDA projects include marketing efforts and events support, pilot projects such as container gardens and Preservation Alley, and the oversight of streetscape, brick crosswalks and residential development in Downtown. The LDDA serves as the Advisory Board to the Downtown Community Redevelopment Area. The LDDA’s website is www.ldda.org

Downtown Lakeland Partnership

The Downtown Lakeland Partnership (DLP) is a membership organization of businesses in downtown who work together to promote shopping, restaurants, and events in downtown. The DLP holds “First Friday” events every month, plus various holiday activities in December, including the annual Holiday Walkabout. The DLP is also responsible for Central Florida’s premier craft beer festival, Brewz Crewz. Find out more about the DLP at www.downtownlakelandfl.com

LAKELAND'S
FOUR CRA DISTRICTS
Downtown
Dixieland
MidTown
Williams



DOWNTOWN
COMMUNITY
REDEVELOPMENT
AREA ADVISORY
BOARD

Janet Tucker
Property Owner

Jim Malless
Wiley & Malless, LLC

Macon Tomlinson
Tomlinson
Construction, LLC

Todd Baylis
Qgiv, Inc.

Eric Belvin
Linksters Taproom

Matt Clark
Broadway Real Estate
Services

Ford Heacock III
Heacock Insurance
Group, Inc.

Christopher McArthur
Black & Brew
Coffee House & Bistro

**Commissioner
Don Selvage**
City of Lakeland



Another Great Year for Downtown

In FY 2012 the evolution of downtown continued. Despite reports of a down economy, there was minimal retail turnover. The few long term tenants who did close had made a decision to retire from the business, and most of those spaces were quickly filled with new businesses eager to benefit from the vibrant commercial environment found downtown. Vacancy rates of retail and office remained stable, and the focus was less on vacancy than on planning efforts for the growth of downtown as a true mixed use environment. There was new interest in nightlife, special events, entertainment venues, and how to plan for those uses to coexist compatibly with current and future residents, daytime retailers and office workers.

Food service continued to be a focal point for downtown retail with the expansions of *Fresco's*, *Chop Shop*, and the new Chinese restaurant, *Happy Eating*, to include sidewalk seating as allowed in the City of Lakeland's newly clarified sidewalk café regulations. *Everything Irie*, a Jamaican restaurant, opened at 128 E. Main Street, *The Main Street Diner* took over a vacated space at 812 E. Main Street, and *Got Candy* began catering to downtown's collective sweet tooth at 115 S. Kentucky Avenue. Plans for a major new restaurant in an underutilized retail space fronting Munn Park on N. Kentucky Avenue were announced, giving downtowners the opportunity to look forward to another choice for breakfast, lunch, or dinner.

PLANS FOR A MAJOR NEW RESTAURANT IN AN UNDERUTILIZED RETAIL SPACE FRONTING MUNN PARK ON N. KENTUCKY AVENUE WERE ANNOUNCED, GIVING DOWNTOWNERS THE OPPORTUNITY TO LOOK FORWARD TO ANOTHER CHOICE FOR BREAKFAST, LUNCH, OR DINNER.

Nightlife was another growing retail component to downtown. Bars, nightclubs, and entertainment venues continue to seek locations in the downtown core. *Just Dance*, a new dance studio at 124 S. Kentucky Avenue, offers salsa, ballroom, tap, and/or jazzercise activity day and night. *The Socialite* on Pine Street and a new event space called *Preservation Hall* on Main Street, are venues for gathering and entertainment. In addition, *Arts on the Park* expanded their programming to include more art events, wine tastings, and live entertainment. And finally, a new wine bar was announced on Bay Street and began the process of converting a former office space.

In addition, 35 business/professional licenses and 16 retail licenses for new businesses were issued for downtown locations in the 2011-2012 fiscal year. *Traditions Bank* entered the Lakeland market and built a new building at 440 S. Florida Avenue. Two other new office tenants are of special note due to the size of their spaces. *Primal Innovation Technology*, a tenant new to the Lakeland area, leased 8,400 SF at One Lake Morton Drive. *Free Life Chapel, Inc.*, leased 6,900 SF at 331 S. Florida Avenue for their business and administrative offices. Another large space user, *CBC Saunders Ralston Dantzer*, moved from a far south Lakeland location to 114 N. Tennessee Avenue. Another formerly "suburban" office tenant moving downtown was *Munson, Midyette & Geary* who moved from S. Harden Boulevard to 500 S. Florida Avenue. Expansion of existing tenants plus new businesses resulted in 100% occupancy at 101 W. Main Street.

This level of activity led the Advisory Board to authorize staff to examine possible incentives to owners to redevelop underutilized second floor space or convert first floor office space to retail. Research has begun and implementation of a finalized program is a goal for the coming year. Whether resultant uses of second floor spaces are office or residential, the long term goal of bringing residential downtown and reaching a level of density which is truly urban in scope is becoming a reality. It continues to be apparent that Lakeland has a healthy, established downtown poised for future redevelopment.

ANOTHER GREAT YEAR FOR
DOWNTOWN
27
food, beverage &
entertainment
businesses in
downtown
Lakeland
20
are open on
evenings &
weekends

REASSIGNMENT OF THE RESPONSIBILITIES OF THE LDDA DIRECTOR

The organizational changes present opportunities for more streamlined staffing, improved resource allocation and access to additional resources

Organizational Changes

2011-2012 marked a number of significant changes for organizations involved in the management and coordination of activities and programs in downtown Lakeland. The Downtown Lakeland Partnership (DLP), a membership organization with a mission of marketing and promoting downtown, had a change in staffing, as did the Lakeland Downtown Development Authority (LDDA) with the announcement of the retirement of long-time director, Anne Furr. These staffing changes along with ongoing constraints on financial resources, provided an ideal opportunity to have a larger discussion regarding how to build efficiencies in the delivery of services downtown.

In April 2012, at the request of the City Manager’s office, members of the DLP, LDDA, LCRA and the City of Lakeland agreed to participate in a series of facilitated discussions in order to draft a Downtown Strategic Organization Plan. It was believed that this would be an opportunity to talk about what a “new” or “re-done” all-encompassing downtown agency would be charged with doing and how it would be organized and funded. In particular, it was acknowledged that there may be opportunities for more streamlined staffing (less overlap), improved resource allocation, and/or access to additional resources based on the outcomes through a new or reorganized entity.

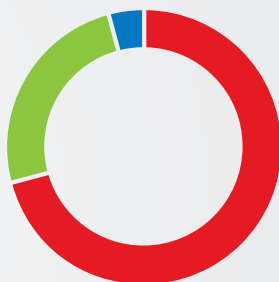
Discussions were facilitated by Dr. Larry Ross of Florida Southern College and resulted in a recommendation for a “Shared Management” approach, which would allow each organization to retain its autonomy, promote improved communication and begin to eliminate a number of ongoing expenses. The specific recommendations included:

- Creation of a designated seat on the DLP Board of Directors for a member of the Downtown CRA Advisory Board as well as a member of the LDDA
- Creation of a designated seat on the Downtown CRA Advisory Board for a downtown resident
- Reassignment of the responsibilities of the LDDA Director
 - LDDA internal tasks completed by existing City/LCRA staff
 - LDDA external tasks completed by contractors
 - LDDA Board of Directors maintains oversight role
- Retain one (1) dedicated LDDA administrative position

In September 2012, the Boards of Directors for each of the participating organizations approved the recommendations and began implementation. The LCRA and LDDA began the negotiation of an Interlocal Agreement for services, and the Downtown CRA Advisory Board began the process of adding a position for a resident representative. The completion of both of these items was expected in the Fall of 2012.

DOWNTOWN FINANCIALS | FISCAL YEAR | 20 TWELVE

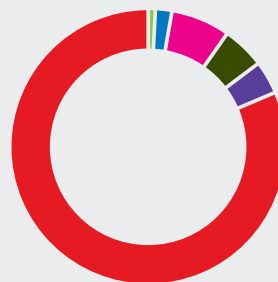
**Tax increment revenues shown are based on the prior tax year*



REVENUES

- Tax Increment Revenues* \$1,007,741
- Unappropriated Surplus \$346,949
- Interest and Miscellaneous \$54,879

\$1,409,569



EXPENSES

- General Government \$6,702
- Interlocal Agreements \$19,869
- Economic Development Incentives \$105,885
- Property Acquisition \$66,428
- Debt Service \$1,155,000
- Maintenance \$55,685

\$1,409,569

TAX INCREMENT REVENUE SOURCES*

City of Lakeland \$311,779

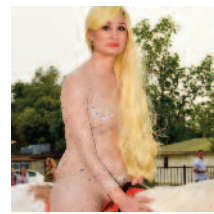
Polk County \$509,586

LAMTD \$37,463

LDDA \$148,913

Total \$1,007,741





Platform Art: Art in AgriCulture

Art in AgriCulture was a community project which combined a series of permanent art and landscaping improvements with a celebration of the arts. It was seeded by an idea outlined in the LCRA's Downtown Redevelopment Plan which champions the continued urbanization of downtown Lakeland through new real estate and business development as well as ongoing enhancements to improve pedestrian, automobile and cycling connectivity.

As with all fledgling ideas, this project required nurturing and cultivation, which was provided by Platform Art, a non-profit arts organization which specializes in showcasing new and exciting local talent in all aspects of the arts. Platform Art spearheaded the Art in AgriCulture idea which rapidly grew into a fun, creative, collaborative venture involving an extraordinary number of arts, education, government and business organizations.

Art in AgriCulture took form initially as an indoor/outdoor progressive art party beginning on the west side of the Orange Street Bridge and moving east towards the downtown core. The event, envisioned as a one-time celebration, would have the dual benefit of leaving physical enhancements behind which would continue to encourage the community to experience this part of downtown Lakeland.

Some of the physical enhancements included a beautiful ceramic mural created by Charlie Parker and Beate Marston of Charlie Parker Pottery in St. Petersburg, Florida. The mural, mounted on the Orange Street Bridge, showcases beautiful vistas of Lakeland's downtown skyline and images which reference Central Florida's ties to the citrus industry. Platform Art also coordinated the development of a community garden on vacant property owned by St. Joseph's Catholic Church, using volunteers and contributions from organizations as far ranging as the University of Florida/Institute of Food and Agricultural Sciences (IFAS)/Polk County Extension Service to the Lakeland Funeral Home and Memorial Gardens. The City of Lakeland's Parks and Recreation Department assisted with the contribution of plant materials, as well as the installation of additional street trees to the west of the Orange Street Bridge in order to improve the environment for pedestrian traffic.

The idea and implementation of Art in AgriCulture has shown the power of community and collaboration around a shared vision. We anticipate that this project will continue to grow and change and will be further enhanced by the partners who participate in its implementation. For more about this project, check out the brochure on our website at www.lakelandcra.net

The idea and implementation of Art in AgriCulture has shown the power of community and collaboration



The Federal Building

The Federal Building at the northeast corner of the intersection of E. Lemon Street and S. Tennessee Avenue was deeded to the City of Lakeland by the United States General Services Administration in 2005. The property, whose main building was constructed in 1919 followed by a substantial addition in 1931, was built as downtown Lakeland's main post office. Listed on the National Register of Historic Places, the property was conveyed to the City subject to a Historic Preservation Covenant which outlined the requirements related to the preservation and reconstruction of the exterior of the building, which would ultimately be subject to approval by the State Historic Preservation Office. At the time that the City received the property, it was partially occupied and was already in a state of decline. The tenants eventually vacated the property, however, continued neglect of the roof had resulted in severe water intrusion, mold and mildew. Unpainted and aging exterior wood details continued to decline.

THE CITY OF LAKELAND REMAINS COMMITTED TO THE RESTORATION AND REUSE OF THE PROPERTY AND IS IN THE PROCESS OF DEVELOPING A NUMBER OF NEW ALTERNATIVES, INCLUDING A POSSIBLE REUSE OF THE STRUCTURE BY ONE OF THE MUNICIPAL DEPARTMENTS.

Following a plea by representatives of Historic Lakeland to develop a plan and budget for repair and restoration of the building in 2009, the City released a Request for Proposals to the public for redevelopment of the property. In 2010, MIDFLORIDA was selected as developer, subject to a series of required approvals from the State of Florida regarding specific changes which would affect the exterior appearance of the building. During the length of time to document and gain the appropriate approvals, MIDFLORIDA's business interests changed and in the Spring of 2012 they withdrew from the project.

The City of Lakeland remains committed to the restoration and reuse of the property and is in the process of developing a number of new alternatives, including a possible reuse of the structure by one of the municipal departments. Further study of the feasibility and cost of various alternatives is expected to be ready for discussion by the City Commission in early 2012.





New Southern Square – Residential Development

In February 2011, the Lakeland City Commission approved the recommendation to award the Bay Street Redevelopment Project to White Challis Redevelopment Company of Daytona Beach, Florida. A development agreement was signed with White Challis in March 2012.

The redevelopment concept for the site is called New Southern Square and includes two types of structures. New Southern Lofts is a three story mixed use building with retail/office space combined with residential studios on the ground floor; nine (9) residential lofts on each of the second and third floors. The building would have a roof terrace which would serve as a common recreation area. On site surface parking will be behind the buildings. The second component of the project, New Southern City Homes, would consist of 14, two and three story townhomes with two car garages and roof decks.

During the Spring of 2012, White Challis principals, Jack White and Chris Challis, spent time surveying community preferences and interests in order to confirm their understanding of the local market for this project. Through a series of focus group discussions with a broad representation of potential buyers, they were able to gain answers to a series of questions about opportunities, challenges, competition and marketing. Their main conclusions were:

- Price points would be a primary driver for buyers. 80% of survey respondents and focus group participants said that they would be most comfortable with a unique product priced between \$150,000 and \$250,000.
- The draws for downtown residents are the “lifestyle” amenities. The ability to walk and bike to shops, restaurants, entertainment and work are appealing- 75% of respondents said this is the main reason to live downtown AND that they believe that this lifestyle exists in downtown Lakeland today.
- Modern industrial is the preferred style for interiors. Open floor plans and loft layouts with open kitchens were suggested as well. Respondents requested a range of unit sizes from 800 square feet to 2,000 square feet to match individual lifestyles.

Using this information to supplement their existing research and work for this project, White Challis is in the process of seeking local equity participation to kickstart financing for the project. We anticipate continued progress on New Southern Square in the coming year.

A rendering of the proposed New Southern City Homes.

DIXIELAND COMMUNITY REDEVELOPMENT AREA

DIXIELAND
COMMUNITY
REDEVELOPMENT
AREA ADVISORY
BOARD

Greg Myers
Southside
Cleaners-Launderers

Melissa Chambers
The Chambers House

William Haskell
Dixieland Neighborhood
Association

Randy Mathews
South Lake Morton
Neighborhood Association

Cory Petcoff
Baron Realty

Tom Waller
The Waller Group



Everything You Ever Wanted to Know About Opening a Business

The Lakeland Community Redevelopment Agency (LCRA) is committed to facilitating the establishment and growth of business and investment in the City of Lakeland’s redevelopment areas. Through the LCRA’s work in Dixieland, staff was able to realize that small businesses in particular, could benefit from a comprehensive package of business and real estate services. As a result, the LCRA has developed a very valuable partnership with the Small Business Development Center (SBDC) at the Central Florida Development Council, to jointly market and deliver our services.

THIS GUIDE IS INTENDED TO PROVIDE AN OVERVIEW OF THE REVIEW AND APPROVAL PROCESS, POINT OUT MANY OF THE DEVELOPMENT ISSUES WHICH MAY COME UP IN THE COURSE OF LOCATING AND DEVELOPING THE APPROPRIATE SPACE FOR A BUSINESS, AS WELL AS PROVIDE AN OVERVIEW OF AVAILABLE INCENTIVES.

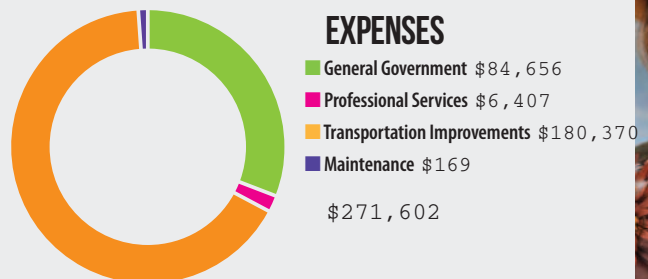
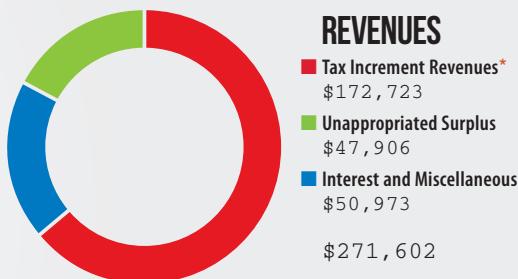


The SBDC is a team of certified professionals who are dedicated to providing management advice to potential and existing business owners in Polk County. With this assistance, clients can be more successful and in turn, contribute to the economic growth and stability of Polk County. Areas of assistance include business research assistance, marketing and advertising, loan assistance, business plans, government contracting, disaster planning, financing and accounting, and more. More information about the SBDC can be located at www.polksbdc.org

While the SBDC may be able to assist with business plans and loan packaging, we find that many small business owners are challenged by the regulatory, financial and real estate issues related to opening that business in a physical office or retail space. Moreover, in older business districts or business areas which were formerly residential, like downtown Lakeland and Dixieland, site and building issues often compound the challenges. In order to assist in explaining the process and to make sure that prospective business owners can avoid some of the most common pitfalls, LCRA and City staffs developed the Small Business Development Guide: a comprehensive guide to opening a small business in Dixieland or downtown Lakeland. This guide is intended to provide an overview of the review and approval process, point out many of the development issues which may come up in the course of locating and developing the appropriate space for a business, as well as provide an overview of available incentives. It is our hope that the Small Business Development Guide will serve as a resource document and will help to clarify the process. To download a copy of the guide, go to www.lakelandcra.net

DIXIELAND FINANCIALS | FISCAL YEAR 20 TWELVE

*Tax increment revenues shown are based on the prior tax year



TAX INCREMENT REVENUE SOURCES*

City of Lakeland \$67,701

Polk County \$102,482

LAMTD \$7,540

Total \$172,723



Dixieland’s Alley Improvement Projects

Because the Dixieland Community Redevelopment Area is a linear commercial corridor, many of the redevelopment activities emphasize the importance of improving the function and operation of the transportation circulation system within the district. This includes the existing alley network which serves both commercial and residential properties throughout the area. In recognition of this, in 2009, the Advisory Board approved a multi-year alley improvement program. The improvements have addressed access and maneuverability for vehicular traffic, coordination of solid waste and recycling collection, as well as had the additional benefit of correcting some minor drainage and stormwater runoff problems for adjacent businesses. Because each project affects what is often the primary access or parking area for businesses, staff has been sensitive to the coordination and scheduling of construction. Extensive steps are taken to maintain access to businesses and parking during the construction work.

It should also be noted that this year, the Advisory Board asked staff if there would be cost savings to bid out engineering and construction work to private companies. Seven (7) of the twelve (12) targeted alleys had been completed using the City of Lakeland's Public Works Department's Engineering and Construction and Maintenance Divisions, and the Board was interested in understanding whether or not private industry could complete the remaining alleys at a lower cost.

COMPARISON OF PUBLIC VS PRIVATE COSTS

	Private Engineer/Contractor	City of Lakeland Public Works
Survey + engineered drawings	\$11,500/alley	\$7,500/alley
Right of Way Use Permit	Required	n/a
Utility relocations	\$15,000+/-alley	\$0/alley (absorbed under PWs contract)
Construction materials	By bid	At cost (this includes \$0 charge for recycled base material)

After staff investigation, it was determined that the use of City staff to complete the design and construction work resulted in both time and resource savings. Private engineering firms would have to go through a bidding and selection process and would be required to submit signed and sealed drawings for City approval on each alley. Private contractors would have to do the same to bid on construction work and would be required to submit for permits to work in the right-of-way. We also learned that Public Works did not have to pay for utility relocations, however private contractors would be charged (and would pass the charge on to the LCRA) for these by each utility. Furthermore, we were benefitting from the Construction and Maintenance Division's use of recycled materials used for the base in the alleys; this would be material that a private contractor would include as part of a materials charge but that we were currently receiving for free. In all, the Advisory Board decided that the financial and logistical benefits of using City crews on these projects were sufficient to justify continuing as before.

After



In 2011-12, three alleys, all of which were on the west side of S. Florida Avenue, were completed. These alleys, which run between W. Highland and Cannon Streets, Cannon and Cresap Streets, and W. Palmetto and W. Hickory Streets, all received the same construction treatment. Brick pavers mark the north and south entrances to the alleys, whose narrow drive lanes are defined by concrete ribbons. Where possible, staff attempted to consolidate solid waste collection in communal dumpsters.

In anticipation of future development on the corner of W. Hancock Street and S. Florida Avenue, the Advisory Board voted to add the alley between W. Hancock Street and W. Belmar Street to the project schedule. The decision to add this alley shows developers that the Advisory Board is committed to a creating a safe and attractive way to access businesses in the growing commercial corridor.

Before





Redevelopment Incentive Programs Offered in Dixieland CRA

In 2011-12, the Dixieland CRA Advisory Board saw the results of a small investment that reaped huge returns for the district. In the previous year, the Advisory Board added another incentive program to their redevelopment toolbox. The \$15,000 Food-Related Services Matching Grant was created in response to an economic analysis that showed an opportunity for restaurants and specialty foods within the district. With very little marketing, the new incentive program successfully attracted two new food retailers within months of its inception, Butterfly Bistro and Fat Maggie's.

The Butterfly Bistro, a French-influenced restaurant, moved into a location that was previously a restaurant and had ample parking and an existing grease trap. The only thing missing to complete the commercial kitchen was a vent hood system; a \$15,000 make-it-or-break-it challenge for the business owner Diana Simmons. Ms. Simmons was awarded a Food-Related Services Matching Grant for the purchase and installation of the hood. In addition, after recognizing that her restaurant location could use new signage, paint and awnings, Diana took advantage of another incentive in the toolbox, the Façade Improvement Matching Grant, and received additional funding to offset these exterior improvements.

The "stackable" matching grants offered in Dixieland not only leverage private investment in commercial properties, they have also served as a business recruitment tool. The Façade Improvement Matching Grant can be an incentive for choosing a specific building because of the potential a prospective business owner sees in a vacant space. An example is the once non-descript office building behind Dixieland Village at the corner of Hunter Street and S. Florida Avenue. Business owner, Dustin Olsen, saw the 800 SQFT building as the location of his dream restaurant, Fat Maggie's. The building needed a small outdoor deck for seating, new paint, signage and minor exterior modifications. In addition to the exterior improvements needed to make this location work as a restaurant, a complete kitchen build out was necessary. Mr. Olsen was awarded the Food-Related Services Matching Grant for the purchase and installation of a grease trap and vent hood system. Using the maximum \$15,000 for both matching grants was exactly what was needed to get this business owner to fulfill his dream of owning and operating a restaurant.

Highly visible investments in commercial properties in the district not only improve residents' and visitors' perceptions of the area, they also spur improvements by nearby businesses. Another successful use of the incentive toolbox was the aesthetic improvements to the Foot Care Clinic of Lakeland, 927 S. Florida Avenue. The property owner participated in the Design Assistance program and selected Lunz Prebor Fowler Architects to work on a design solution that would make the clinic more attractive. The façade design included enclosing the existing arched courtyard with a roof and planters, new signage and paint. The project received almost \$14,000 in matching grant funds.

The toolkit of incentives and ability to use more than one grant at a time spurred new investments and encouraged further reinvestment in Dixieland.

For every
ONE DOLLAR
spent by LCRA,
new restaurant
owners spent
\$2.74

MID TOWN
COMMUNITY
REDEVELOPMENT
AREA ADVISORY
BOARD

Earl Johnson
Watson Clinic, LP

Hugh Autry
Lakeland Regional
Medical Center

Dean Boring
Boring Business
Systems

**Deborah Beall
Boynton**
Beall Insurance

Tim Mitchell
Parker Street Ministries

Ryan Reis
Keiser University

**Commissioner
Phillip Walker**
City of Lakeland



Corridor Enhancements and Pedestrian Safety

Since the creation of the Mid Town Community Redevelopment Area and implementation of the redevelopment plan, visible improvements within the public right-of-way have had a substantial impact on the public's perception of the entrances to our City and individual neighborhoods.

Our first project of this type, on Martin Luther King Jr. Avenue from W. 10th Street to Memorial Boulevard in 2006, illustrated how roadway enhancements could serve multiple purposes, from aesthetic enhancement to more efficient movement of traffic, to pedestrian safety. We have used these lessons to continue to redesign existing roadways within the redevelopment district to be more "complete streets" which work for both vehicles and people. Past projects include Martin Luther King Jr. Avenue from Memorial to Bartow Road, Ingraham Avenue from Memorial to E. Main Street and E. Parker Street from Massachusetts Avenue to N. Lake Parker Drive.

In 2011-12, we continued this commitment to corridor enhancements and pedestrian safety with a number of completed projects. Construction on the US 98N Corridor Enhancement Project, a pedestrian safety improvement jointly funded by the Florida Department of Transportation (FDOT) and the LCRA, which began in 2011 was completed in the Spring of 2012. The project spanned from Griffin Road to W. 10th Street/Parkview Place, and included landscaped medians and pedestrian refuges to facilitate the safe crossing of this very busy roadway. With the project complete, it is not unusual now to see many pedestrians using the medians as safer locations to wait in order to cross the street.

...ROADWAY ENHANCEMENTS COULD SERVE MULTIPLE PURPOSES, FROM AESTHETIC ENHANCEMENT TO MORE EFFICIENT MOVEMENT OF TRAFFIC, TO PEDESTRIAN SAFETY. WE HAVE USED THESE LESSONS TO CONTINUE TO REDESIGN EXISTING ROADWAYS WITHIN THE REDEVELOPMENT DISTRICT TO BE MORE "COMPLETE STREETS"



A Pedestrian Safety Zone along US 92/Memorial Boulevard from Walker Street to Morgan Avenue was implemented in early 2012. This was an FDOT project which was the result of ongoing safety concerns regarding the large number of pedestrian crossings through this area. The improvements are intended to help remind drivers to be alert for pedestrians.

At the request of Lakeland Regional Medical Center, the City of Lakeland's Construction and Maintenance Division designed and completed construction of a mid-block pedestrian crossing on Parkview Place in front of the entrance to the Emergency Department. To enhance the function and safety of the crossing, this portion of the road was also placed on a "diet" converting it from a four-lane undivided roadway to a three-lane roadway with a median, protected turn lanes and bike lanes. Because this was an unusual request, this project was funded jointly by the City of Lakeland, LCRA and Lakeland Regional Medical Center.

Planning and design of future projects was also part of the work of 2011-12. The design of the East Main Street Enhancement Project was completed and construction of the first phase of the project, sidewalk repairs and upgrades, began. This project is jointly funded by LCRA and FDOT and will result in the conversion of E. Main Street from Bartow Road to Lake Bonny from a four-lane undivided roadway to a three-lane roadway with medians, bike lanes and dedicated turn lanes onto side streets and business driveways. The primary phase of construction is expected to begin in the Spring of 2013.



We believe that the **Bicycle Friendly designation** actually speaks to a much larger audience and **broadcasts a very positive message** about the Lakeland community

Bike Friendly Community

In the Fall of 2012, the City of Lakeland was recognized for its ongoing efforts to integrate all modes of transportation for citizens traversing our community. The City's commitment to making existing and new roadways safe for pedestrians, cyclists and transit users, in addition to vehicles, has made this a truly livable community and has earned Lakeland a coveted designation as a Bronze Level Bicycle Friendly Community (BFC) by the League of American Bicyclists.

The City of Lakeland worked in partnership with BikeLakeland, a local citizen group with the goal of uniting Lakeland's cyclists, others from the local cycling community, the business community, City employees and concerned residents to promote awareness and effect positive change for bicycle riders to complete the application process. The application process also required extensive input and participation from multiple City departments, and other public agencies including the Polk County School Board in order to document how the City of Lakeland supports bicycling.

To some, this award may seem to be only of interest to avid recreational cyclists; however, we believe that the Bicycle Friendly designation actually speaks to a much larger audience and broadcasts a very positive message about the Lakeland community. Increasingly, young professionals, families and empty nesters are making location decisions based on lifestyle amenities in the community. Beyond schools and employment, these decision factors include access to recreational facilities and the availability of open space, along with convenient access to neighborhood shopping, restaurants and places of work- often within walking and biking distance. This BFC award highlights one aspect of Lakeland's quality of life that can be used in economic development and recruiting efforts by local businesses, educators and others in our community.

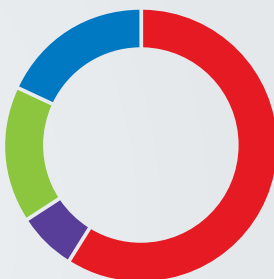
In order to maintain the award recognition and aspire to a new level, it will be important for the Lakeland community to continue to work to enhance cycling initiatives; this will require input from all involved including local enthusiasts, bicycle clubs and other partner organizations within the community. In all of our redevelopment districts, we will continue to work to improve the physical infrastructure, filling in gaps and expanding the network by facilitating the implementation and construction of safe trails and biking facilities.

The Bike Friendly designation demonstrates that the City of Lakeland is committed to improving the safety, convenience, and enjoyment for all cyclists in the community whether they are recreational, commuter or sport riders. The end result is a higher quality of life that furthers the City's vision as a world class community and helps attract young professionals and the creative class as well as families and retirees that enjoy an active, healthy lifestyle. Please visit www.bikeleague.org for more information on Bike Friendly Communities.



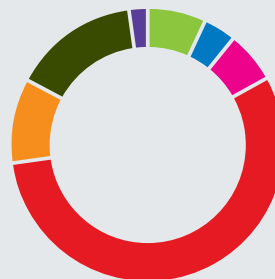
MID TOWN FINANCIALS | FISCAL YEAR | 20 TWELVE

*Tax increment revenues shown are based on the prior tax year



REVENUES

- Tax Increment Revenues* \$1,717,612
 - Rental Income \$196,999
 - Unappropriated Surplus \$467,910
 - Interest and Miscellaneous \$545,809
- \$2,928,330



EXPENSES

- General Government \$216,545
 - Professional Services \$130,411
 - Economic Development Incentives \$181,860
 - Property Acquisition \$1,644,450
 - Housing & Development \$297,034
 - Transportation Improvements \$430,870
 - Maintenance \$27,160
- \$2,928,330

TAX INCREMENT REVENUE SOURCES*

City of Lakeland \$623,272

Polk County \$1,018,140

LAMTD \$76,200

Total \$1,717,612



Bicycle Facilities
Lakeland Planning Area

- Bike Lanes
61.74 Miles
- Trail Section
25.71 Miles
- Paved Shoulders greater than or equal to 4ft
68.74 Miles
- Share the Road
3.42 Miles

INCREASINGLY, YOUNG PROFESSIONALS, FAMILIES AND EMPTY NESTERS ARE MAKING LOCATION DECISIONS BASED ON LIFESTYLE AMENITIES IN THE COMMUNITY. THESE DECISION FACTORS INCLUDE ACCESS TO RECREATIONAL FACILITIES AND THE AVAILABILITY OF OPEN SPACE, ALONG WITH CONVENIENT ACCESS TO NEIGHBORHOOD SHOPPING AND RESTAURANTS...



Parker Street Neighborhood Improvements

Since 2007, the Lakeland Community Redevelopment Agency has worked in partnership with a number of municipal departments and local non-profit organizations like Parker Street Ministries, Habitat for Humanity and Keystone Challenge Fund, to develop new and rehabilitated housing units in the Parker Street Neighborhood. The intent of the work in Parker Street was to develop working partnerships and strategies to stabilize the neighborhood while building back safe, decent, attractive housing for a range of household incomes.

In 2011-12, housing initiatives in the Parker Street Neighborhood continued. Habitat for Humanity completed construction on the Baylis House, a beautiful new construction bungalow designed by Wallis Murphey Boyington Architects and constructed by volunteers in memory of Steve Baylis, a prominent Lakeland businessman and community member. The design was so attractive that it was used again in the neighborhood by Keystone Challenge Fund, which is constructing a house which will be available for sale to a low or moderate income buyer in the Spring of 2013.

LCRA was also able to dispose of three (3) vacant and boarded up residential properties to Parker Street Ministries for rehabilitation and reuse. These two residences will be brought up to date and leased or sold to families interested in becoming a part of this neighborhood. Two of the properties on N. Vermont Avenue are currently under construction and are expected to be completed by the Spring of 2013. The third will be completed in Summer 2013.

In addition, the former Wesley Memorial United Methodist Church property, at the southeast corner of the Massachusetts and Parker Street intersection, was sold by LCRA to Parker Street Ministries in early 2012, under the conditions stipulated in their lease agreement. The property, which underwent a \$1 million dollar rehabilitation courtesy of local donors, continues to be a central hub of activity and stability for children and families in the neighborhood.





Paul A. Diggs and Webster Park South Neighborhoods

After an extensive evaluation of lessons learned through work in the Parker Street Neighborhood, in 2011, the Mid Town CRA Advisory Board proposed the following goals for the Webster Park South and Paul A. Diggs Neighborhoods:

- Stabilize the properties that have the potential to do the most harm AND can create the most benefit to the neighborhood.
- Create an environment around the Dream Center to make it truly a viable community gathering place.
- Coordinate the activities and services provided at the Dream Center, Coleman Bush, Lake Ridge and Washington Renaissance to eliminate duplication and to stretch resources.
- Connect the public amenities through safe pedestrian, bike and transit facilities.

The most significant move towards the achievement of these goals was the decision to engage in negotiations to purchase Lincoln Square Apartments, a 120-unit functionally obsolete multifamily property in the midst of these two neighborhoods. This property was the subject of a bankruptcy and foreclosure and had a history of crime, code enforcement and other issues which negatively impacted the immediate community. The property directly abutted Lincoln Academy, one of Polk County's premier magnet elementary schools. It was determined that this property had the potential to do the greatest harm or the greatest good for the neighborhoods. Moreover, given the condition of the units and their location within a single family area, these structures were best suited for demolition and reconstruction as something other than multifamily housing.

Negotiations to purchase the property, while protracted, were successful, and LCRA closed on the property in December 2011. With the assistance of the Lakeland Housing Authority, by mid-March of 2012, tenants in the 80 occupied units had been successfully relocated. A scope of work for asbestos abatement and demolition was released in the Spring of 2012, but bids for the work came back well beyond budget and with such an extreme range that the staff and Advisory Board decided to regroup and reassess. Staff sought additional funding and technical assistance through the Central Florida Regional Planning Council's Brownfield Assessment and Remediation Program and is in the process of working with the consulting group, Cardno TBE to re-write the scope of services for abatement and demolition, in anticipation of re-bidding the project in the Spring of 2013.

The Williams CRA

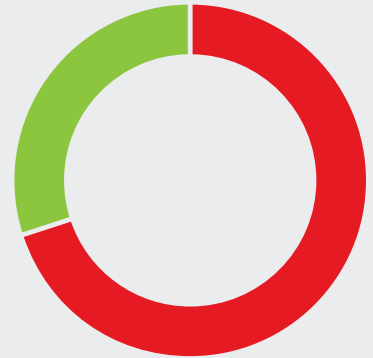
In 2012 there was little activity relating to the Williams DRI or CRA in terms of land developments (except for the campus development noted below) and no annexation activity to expand the CRA boundaries occurred.

In terms of associated transportation network improvements, in March 2012, University Boulevard and Research Way both opened to traffic, completing a new corridor between SR 570/Polk Parkway and SR 33. Construction continued on the four-lane improvement on SR 33 between Lakeland Harbor Boulevard and Deeson Pointe Boulevard that is partially-funded through the USF Campus Development Agreement, with completion scheduled for Spring 2013. FDOT District One has started a study (PD&E) of the SR 33 corridor from Old Combee Road to Tomkow Road, including the Interstate 4 interchange at Exit 38. That study will likely look at how the new 4 lane University Boulevard future traffic volumes can best be managed at the intersection with SR 33 as the Campus and the DRI and other adjacent lands develop over the next 20 years.

In terms of campus development on lands donated by the Williams DRI to the State of Florida, the lands and assets comprising the proposed University of South Florida Polytechnic (USFP) campus were turned over to a new Board and entity known as Florida Polytechnic University or FPU. The Campus itself began horizontal site clearance and drainage activity and later began vertical construction of the first building designed by international architect Santiago Calatrava.

The access to FPU, like that proposed formerly for USFP, will be off of the new University Boulevard and it's connecting road called Research Way. At some point in time the City expects the Williams DRI to propose land use changes to the lands within the DRI to potentially emphasize future business park research uses that will compliment the new campus as well as to physically re-orient some of the proposed future land uses. The City also anticipates that FPU will need to propose a new/updated Campus Development Agreement with the City of Lakeland to replace the one in place today with USF.

WILLIAMS | FISCAL YEAR | 20 TWELVE



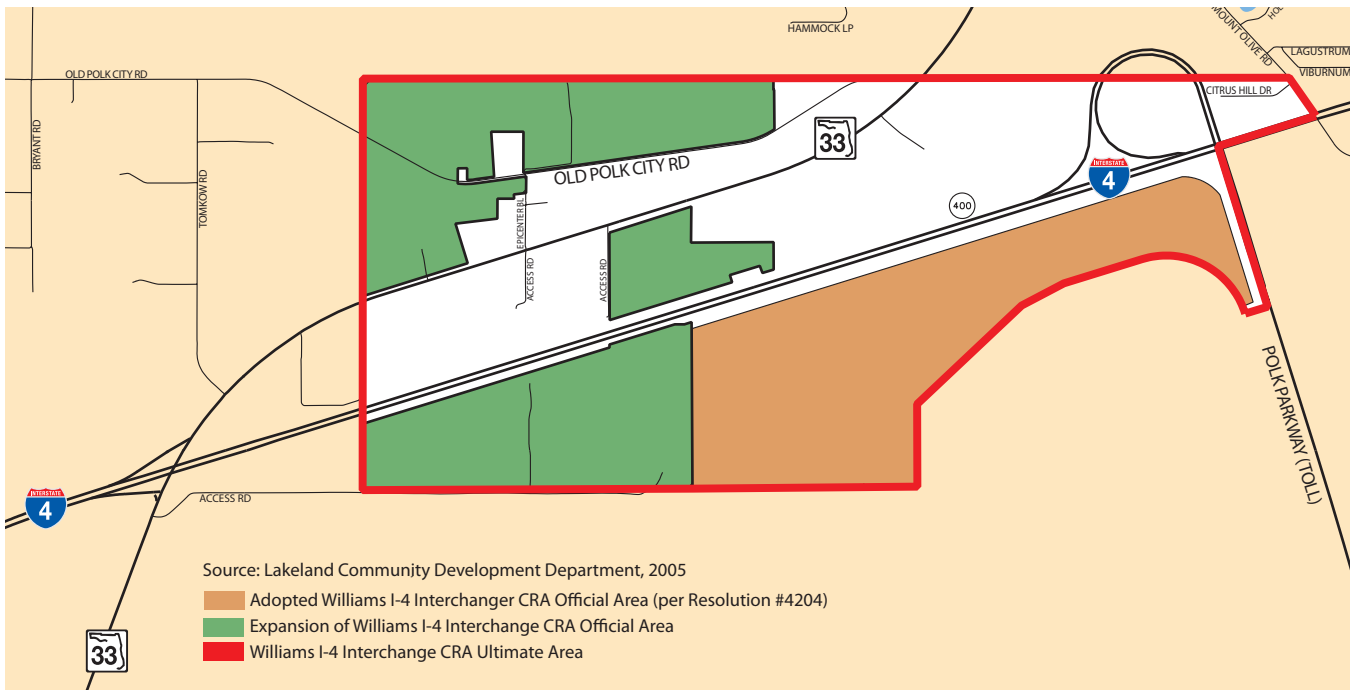
REVENUES

- Tax Increment Revenues*
\$12,955
- Interest and Miscellaneous
\$5,532

TAX INCREMENT REVENUE SOURCES*

Polk County	\$8,038
City of Lakeland	\$4,918
LAMTD	\$0
Total	\$12,955

*Tax increment revenues shown are based on the prior tax year



Goals of the Program

The City of Lakeland has a long demonstrated ability in economic and redevelopment project implementation. In that, Lakeland has built a solid foundation of well understood goals that have influenced the City's continued vision, focusing on planning, redevelopment and the overall improvement of the entire city. Lakeland's Enterprise Zone Agency established a broad range of goals designed to create an economic development climate designed to improve job opportunities and wages for employees, advance the communities employers and residents allthwhile encouraging public and private capital improvements. The goals established in the strategic plan focus on a range of topics that have been broken into three categories.

• **Community and Workforce Development**

• **Economic Development**

• **Infrastructure and Land Development**

For more information about the Enterprise Zone's specific goals and measurements, visit the City of Lakeland's Economic Development website at www.lakelandcra.net

City of Lakeland Impact Fee Mitigation Report for FY 2012/2013

On November 1, 2010, the Lakeland City Commission approved Ordinance 5216 supporting a newly-created local incentive designed to mitigate non-utility impact fees for qualified businesses. This new incentive was created with the goal of placing Lakeland in a more competitive position with regard to business development and recruitment.

The City's Economic Development Impact Fee Mitigation (EDIFM) Program is designed to encourage quality job growth in targeted high value added businesses through a reduction of impact fees. The program provides varying percentages of impact fee relief to qualified targeted industry businesses. As defined in the program, there are three specific eligibility categories in which businesses can take advantage of the EDIFM incentive.

High Wage Job Creation

Approved applicants who build a new facility and create high wage jobs in the City of Lakeland will receive a 50 to 90% reduction/waiver of non-utility impact fees. For businesses creating 10-50 jobs, paying 115% of the average annual wage, a 50% impact fee mitigation may be received. Businesses creating 51-100 jobs, paying 115% of the average annual wage, 70% impact fee mitigation may be received. Businesses creating 101+ jobs, paying 115% of the average annual wage, a 90% or full mitigation of impact fees may be received.

Industrial Job Creation

Pre-approved applicants who build a new facility and create high volume industrial jobs in the City of Lakeland will receive a 50 to 90% reduction/waiver of non utility impact fees. For businesses creating 100-199 jobs a 50% impact fee mitigation may be received. Businesses creating 200-299 jobs, a 70% impact fee mitigation may be received. Businesses creating 300+ jobs a 90% or full mitigation of impact fees may be received.



ENTERPRISE ZONE ADVISORY BOARD

Claudia Tritton
Lakeland Economic Development Council

Scott Gardner
Bank of Central Florida

Stan Martin
Lakeland Police Department

Paula Bohnstedt
PolkWorks

Brian Rewis
Neighborhood Services Division, City of Lakeland Administrative Staff

Jason Willey
Economic Development Coordinator

High Wage Jobs Created

Total Mitigation Amount

10-50	51-100	100+
50%	70%	90%

Industrial Jobs Created

Total Mitigation Amount

100-199	200-299	300+
50%	70%	90%

ENTERPRISE ZONE

Inventory Development
Total Mitigation Amount
70,000 square feet
50% reduction in fees

Inventory Development

Preapproved applicants who build new building inventory, wholesale/warehouse and/or manufacturing/industrial, space that is 70,000 square feet or greater are eligible for a 50% reduction of non utility impact fees when the building permit is issued.

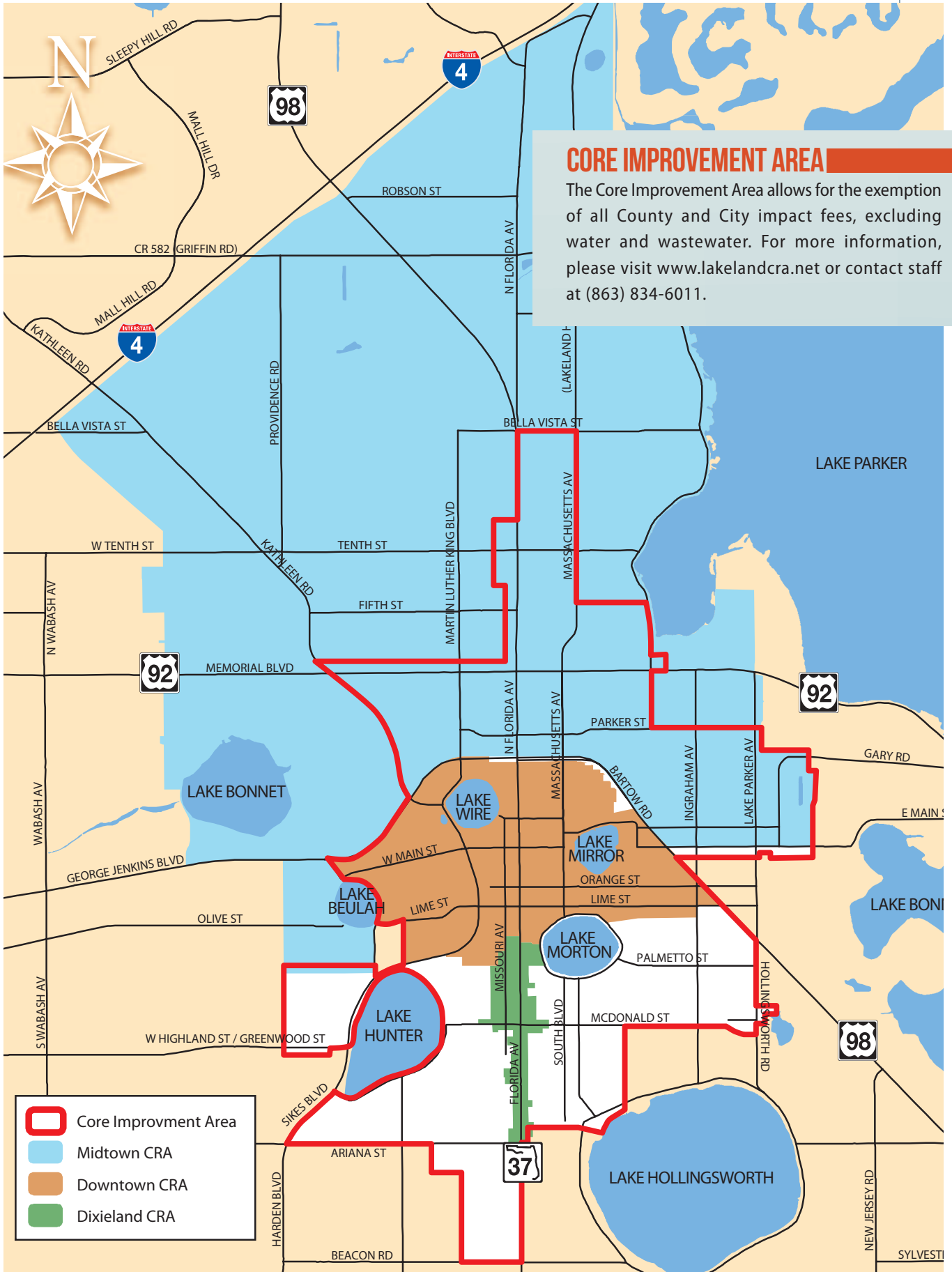
FY 2012 Results

Though the 2012 fiscal year saw just two approved applicants, the EDIFM Program had a measurable impact on Lakeland's business development in its first full year in operation. The City's EDIFM program provided a total of \$510,266 in non-utility impact fee mitigations for two separate projects. With an estimated capital investment of more than \$45 million dollars, these projects will also be bringing close to 400 new jobs to Lakeland.

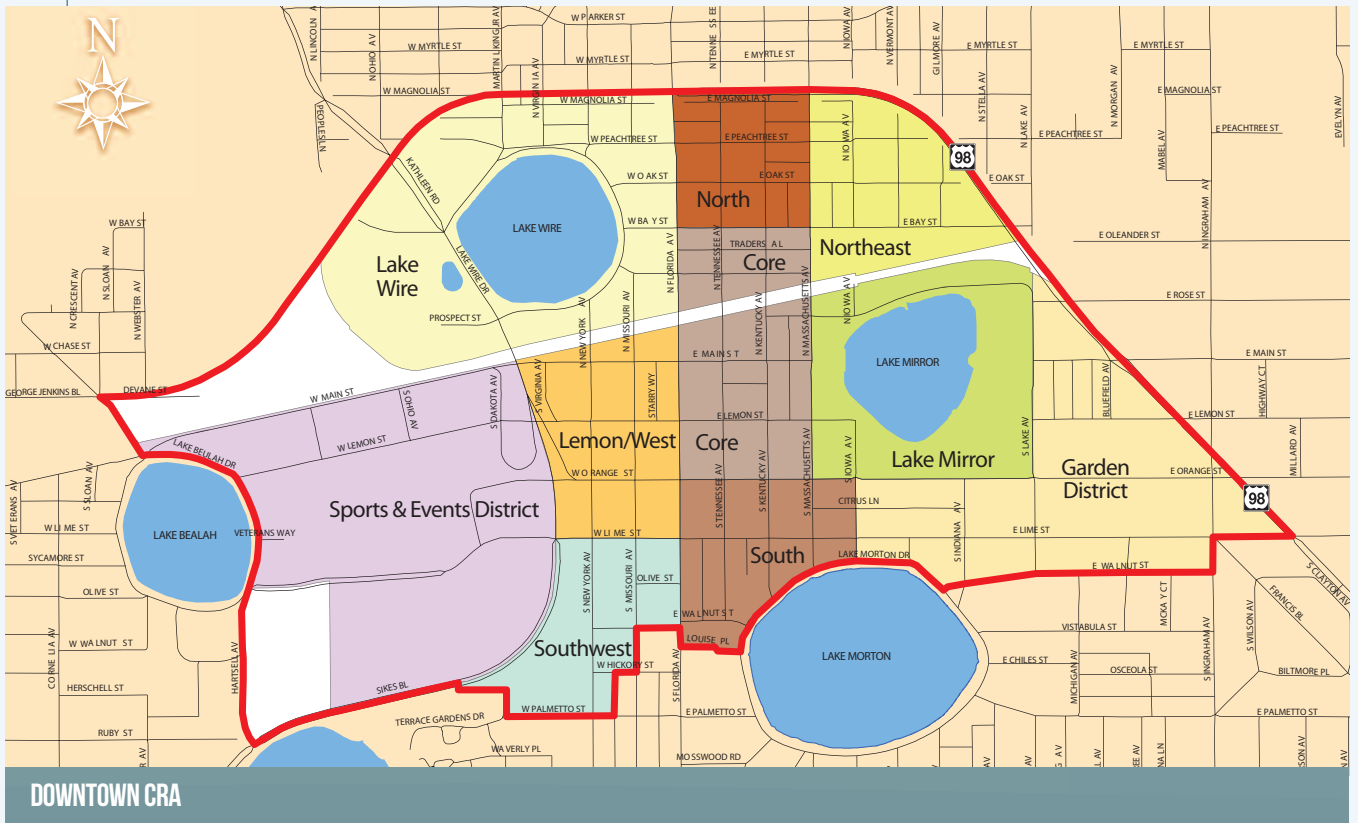
Outlining the specifics, the table below shows the exact non-utility impact fee calculations for each of the two approved applicants. Depicting both of the approved projects separately, this table shows EDIFM Category approved and mitigation amounts and percentages along with some additional information relating to the size, scale and scope of the projects.

Applicant	Project # 1	Project # 2
MITIGATION CATEGORY	Industrial Job Creation	Inventory Development
BUILDING SIZE	389,000 square feet	152,500 square feet
BUILDING ADDRESS	3300 County Line Road	300 Eagles Landing Drive
100% IMPACT FEES	\$632,272	\$144,112.50
MITIGATION PERCENTAGE	90%	50%
MITIGATION AMOUNT	\$569,045	\$72,056.25
IMPACT FEES PAID	\$63,227	\$72,056.25
100% IMPACT FEES	\$632,272	\$144,112.50
CAPITAL INVESTMENT	\$38,000,000	\$7,500,000
NUMBER OF JOBS	300+	TBD
START DATE	3/1/12	11/15/12

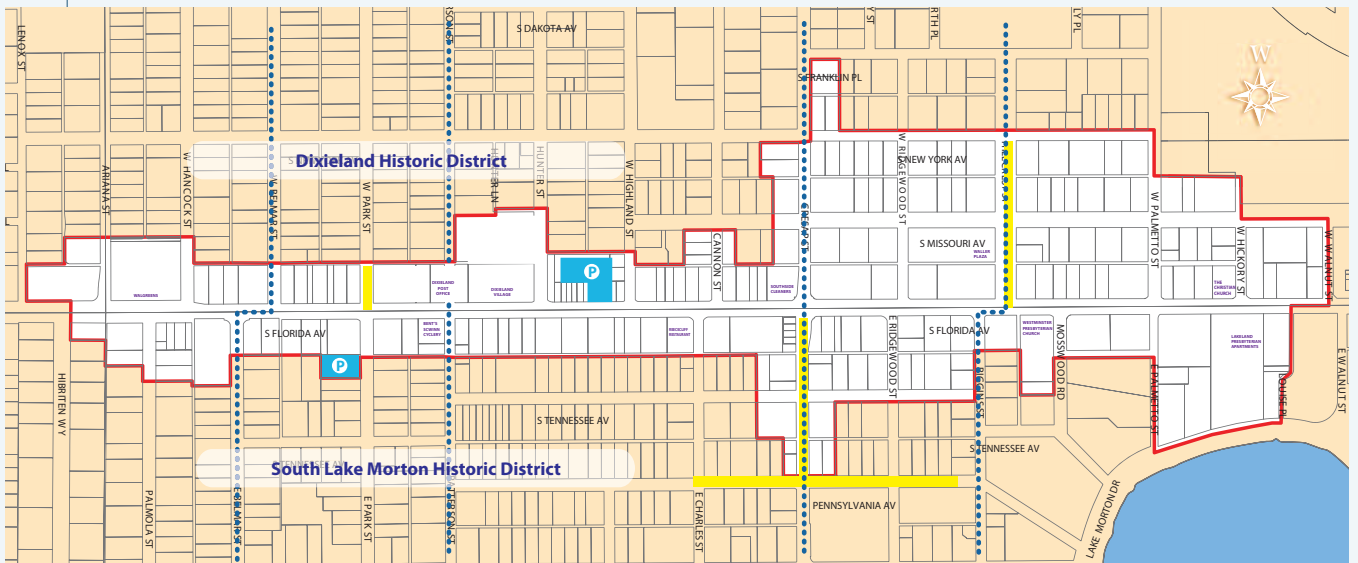




MAPS: DOWNTOWN, DIXIELAND, ENTERPRISE ZONE AND WILLIAMS

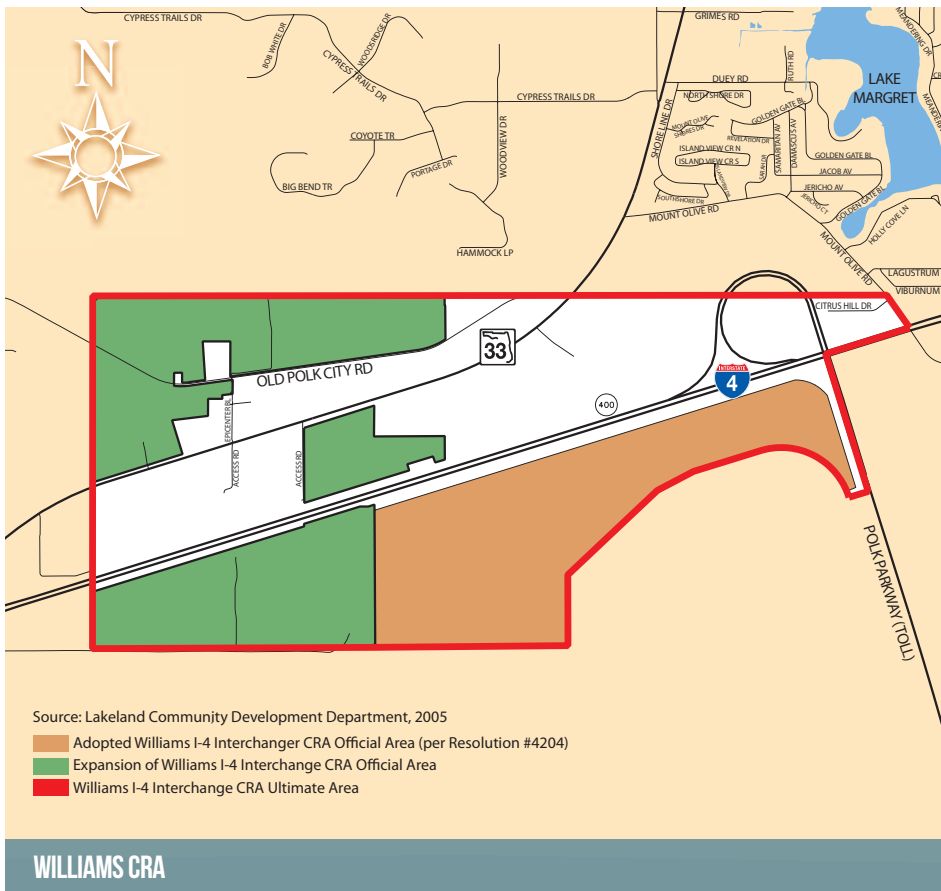
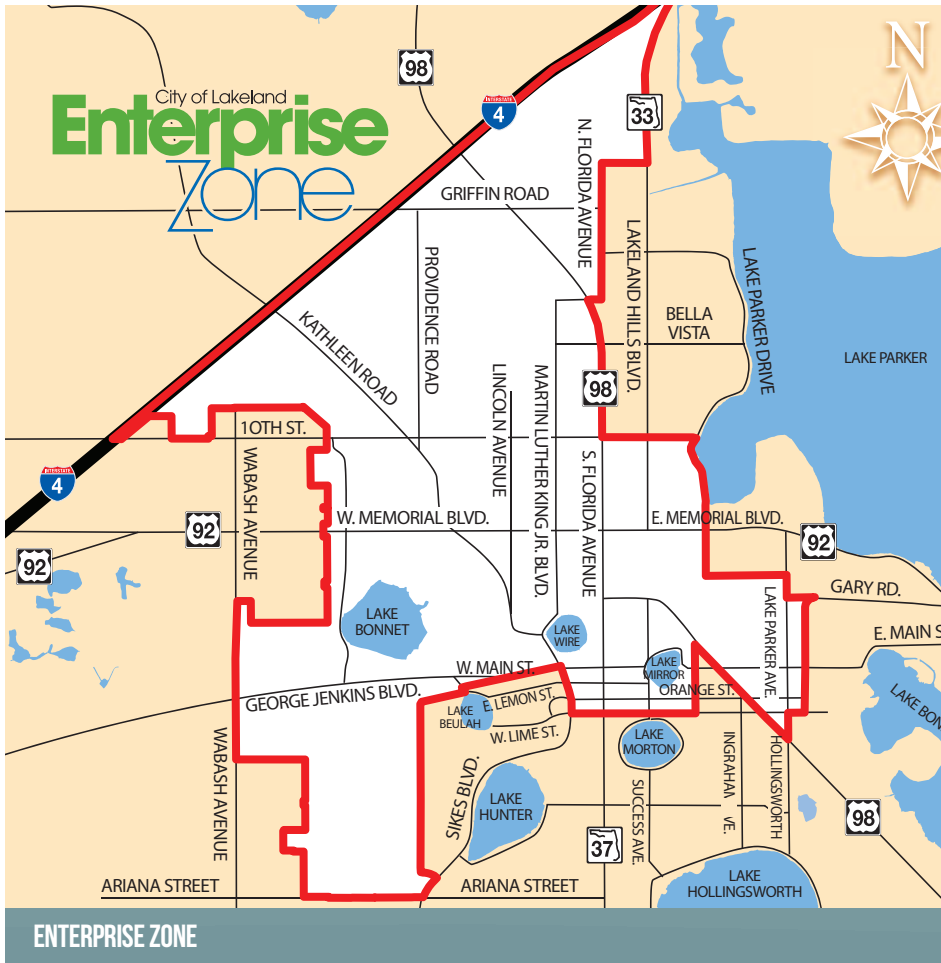


DOWNTOWN CRA



DIXIELAND CRA





MEETING TIMES AND LOCATIONS

City Commission

1st and 3rd Mondays
9:00 AM
City Commission Chambers

Planning and Zoning Board

3rd Tuesday
8:30 AM
City Commission Chambers

Zoning Board of Adjustments and Appeals

1st Tuesday
9:00 AM
City Commission Chambers

Historic Preservation Board

4th Thursday
7:30 AM
Building Inspection
Conference Room

Lakeland Downtown Development Authority

3rd Thursday
8:00 AM
City Commission Conference Room

Downtown CRA Advisory Board

1st Thursday
8:00 AM
City Commission Conference Room

Dixieland CRA Advisory Board

3rd Tuesday
4:00 PM
City Commission Conference Room

Mid Town CRA Advisory Board

1st Thursday
3:30 PM
City Commission Conference Room

Enterprise Zone

Meetings as called

